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XTO REV PROD 88 (7-69) PAID UP (04/17/07)B

## OIL, GAS AND MINERAL LEASE

and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH:

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to exclusive right of exploring, drilling, mining and operating on said land, lay pipe lines, establish and utilize facilities for surface or subsurface those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface on said land, together with the right to make surveys on said land, power stations, telephone lines, employee houses and other structures disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures disposal for an exploring disposal for the land covered houses. The land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant , State of Texas, and is described as follows:

1.584 acres, more or less, being Site 15, Block 3, out of the D. Odum Survey, Abstract No. 1184, part of the Great Southwest Industrial Park – GSC Mark IV, an Addition to the City of Fort Worth, Tarrant County, Texas, according to the Plat thereof recorded in Volume 388-42, Page 8, Plat Records, Tarrant County, Texas, and being those same lands described in a Warranty Deed With Vendor's Lien, Volume 5731, Page 472, Plat Records, Tarrant County, Texas, dated September 12, 1974, from Obie P. Leonard, Jr., R. W. Leonard, Leland A. Hodges and James W. Deed Records, Tarrant County, Texas, dated September 12, 1974, from Obie P. Leonard, Jr., R. W. Leonard, Leland A. Hodges and James W. Deed Records, Tarrant County, Texas, dated September 12, 1974, from Obie P. Leonard, Jr., R. W. Leonard, Leland A. Hodges and James W. Anthony, as Grantor, to J. Glen Savage, Jr. and Ralph H. Flesher, as Grantee, and amendments thereof, including streets, easements and alleyways adjacent thereto, and any riparian rights.

## SEE ATTACHED ADDENDUM FOR ADDITIONAL PROVISIONS

This is a non-development Oil, Gas and Mineral Lease, whereby Lessee, its successors or assigns, shall not conduct any operation, enter upon or in any way disturb the surface of the lands described herein. However, Lessee shall have the right to pool or unitize said lands, or any part thereof, with other lands to comprise an oil and/or gas development unit. It is the intention of Lessor to allow Lessee to explore for oil and/or gas without using the surface of Lessor's land for any operations. This clause shall take precedence over any references to surface operations contained within the preprinted portion of this lease.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 1.584 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of 2 years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

upon said land with no cessation for more than ninety (90) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 25%, part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such \_25%, part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear \_25% of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land of the most of the said of th

of this lease, severally as to acreage owned by each.

4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be entanged as to plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be entanged as to the following: any one or more horizons, os as to contain not more than 80 surface acres plus 10% acreage tolerance; il limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced (1) gas, other than a gas and the subsurface reservoir. (3) minerals produced (1) gas, other than a gas and the subsurface reservoir, (3) minerals produced (1) gas, other than a gas and the subsurface reservoir. (3) minerals produced the from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted or required which are not liquids in the subsurface reservoir, (3) minerals produced in the subsurface reservoir, (3) minerals produced the subsurface reservoir. (4) minerals graded the subsurface reservoir, (5) minerals produced the subsurface reservoir, (6) minerals graded to conform to the stable permitted or required by such graded unit and produced the graded produced the subsurface reservoir. (5) minerals graded produced t

are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time there is no unitized minerals being produced from such unit. Any unit formed may be amended, re-formed, reduced or enlarged by Lessee at its election at any time and from time to time after the original forming thereof by filing an appropriate instrument of record in the public office in which the pooled acreage is located. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force in this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended this lease over the lease but Lessee shall nevertheless have the right to or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to or shall be implied or result merely from the inclusion of such separate tracts within this paragraph 4, the pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location and/or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other minerals, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement shall increase the obligations or division. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, not of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, not change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal behavior. It is principal to the principal sixty (60) days after there has been furnished to such record
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after receipt of said notice within which to meet all or any of the precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after receipt of said notice within which have said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after receipt of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the service of said notice nor the doing of any acts by Lesser aimed to meet all or any of the service of said notice nor the doing of any acts by Lesser shall also have such easements on said land require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land req
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor interests hereunder shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the tessor rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other entire and undivided fee simple estate therein, then the paid only in the proportion which the interest moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether therein) is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more reasonable control of Lessee, the primary term hereof shall be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written. Ralph H. Flesher LESSOR(S): Len Savage, by Palph H Hosser

J. Glen Savage, Jr., by Ralph H. Flesher, his Attorney-In-Fact

R Ralph H. Flesher

STATE OF TEXAS } } ss. (ACKNOWLEDGMENT FOR INDIVIDUAL) COUNTY OF <u>Denton</u>

September 11, 2011

This instrument was acknowledged before me on the 13 day of october , 2008, by <u>J. Glen Savage, Jr., by</u> Raiph H. Flesher, his Attorney-In-Fact, and Raiph H. Flesher, individually, and as their sole and separate property.

ROBERT A. SPENCE stary Public, State of Texa My Commission Expires Seal: Notary Public Sinature\_&

My commission expires:

 $V_{1}V_{2}V_{3}$ 

SIENCE A Printed

## ADDENDUM

This Addendum is attached to and made a part of that certain Oil, Gas and Mineral Lease dated the \(\frac{13}{2}\) day of \(\frac{2\tautached{5}}{2008}\), by and between \(\frac{1}{2}\). Glen Savage, \(\frac{1}{2}\), and Ralph H. Flesher, individually, and as their sole and separate property, as Lessor(s) and XTO Energy Inc., as Lessee.

- 15. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease include (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.
- 16. Notwithstanding anything herein contained in the printed portion of this lease to the contrary, in the event Lessee, his heirs or assigns, exercises his right to pool or unitize this lease and the land covered hereby for oil or gas with other lands and/or leases as provided in Paragraph 4 contained in the printed form, <u>ALL AND NOT PART</u> of this lease shall be unitized in any oil or gas unit so formed. In other words, should this lease be included in any pooled oil or gas unit, said pooling provisions shall be ineffective unless all of the land covered by this lease is included in any oil or gas unit so formed.
- 17. Notwithstanding any provisions hereof to the contrary, it is expressly agreed and understood that Lessee shall have no right to maintain this lease in force after the expiration of the primary term hereof by payment of shut-in gas royalty under the provisions of printed Paragraph 3 for any period exceeding twenty-four (24) consecutive months.
- 18. Force Majeure. Should Lessee be prevented by reason of Force Majeure from complying with any express or implied covenant of this Lease (other than a requirement to pay money), from conducting drilling or reworking operations on the Land, or from producing oil or gas, then while so prevented, that covenant will be suspended; Lessee will not be liable for damages for failure to comply therewith; this Lease will be extended so long as Lessee is prevented from conducting drilling or reworking operations on or from producing oil or gas from the Land; and the time while Lessee is so prevented will not be counted against Lessee. "Force Majeure" means any Act of God, any federal or state law, scarcity of drilling rigs or other equipment, inability to obtain a drilling permit, any rule or regulation of governmental authority, or other similar cause (other than financial reasons).
- 19. The Lease is a non-development Lease, and nothing in the Lease shall be construed to permit Lessee access of use of the surface of said land for any purpose, including without limitation any easements for pipelines or oil and gas related purposes. Further, entry onto said land shall be from an offsite location at a minimum depth of at least three hundred (300) feet below the surface of said land.